

Friday, February 24, 2012

**Forward contract prices opened mixed this morning.** U.S. cash markets are finishing this week higher, despite the stagnant trend in the pork cut-out. Packers have been contending with negative operating margins for an extended period, a situation that is similar to 2009 when the pork cut-out values were depressed relative to cash bids for close to five months. Arguably, some packers are still able to return a small margins when consideration is given to their export and branded product sales. However, Lean Hog futures appear unwilling to maintain close to average premiums for the summer months compared to the cash market due in part to the poor operating margins. The Canadian Dollar is finishing the week equivalent to the U.S. Dollar with no apparent impact from the bailout deal agreed to by Greece and their European counterparts.

**Hog Prices:** ↑↓ **Soymeal:** ↑↓  
**Corn:** ↓ **Cdn Dollar:** ↑

US Slaughter	
421,000 – Thursday's	
414,000 – Thursday's (year ago)	
Western Corn Belt	\$88.02
Daily National Price	\$87.62
Daily Sig3(M.Leaf)	\$161.10
Daily Sig4(M.Leaf)	\$155.29
4-Month Fwd Avg	\$165.95
#1 Export Sows (+500lbs) \$46.50cwt	
<b>B of C Ex. Rate (Noon)</b> \$0.9985CAD / \$1.0015US	
<b>Cash Prices: Week Ending February 24th, 2012</b>	
71.07/156.68	Signature #3
69.97/154.26	Signature #4
69.89/154.07	h@ms Cash
n/a	Hylife
ISO Weans	\$50-66US
Feeder Pigs	\$62-85US

## 2012 Annual District Meetings

Saskatchewan	Date	Time	Location
Swift Current	Tue, Feb 28	Noon	Wong's Kitchen; 320 S Service Road East, Swift Current
Saskatoon	Wed, Feb 29	Noon	Sandman Hotel; 310 Circle Drive West, Saskatoon
Manitoba	Date	Time	Location
Southeast District - Steinbach	Fri, Mar 2	Noon	Smitty's Restaurant; Clear Spring Mall, Steinbach
Heartland Marketing District - Starbuck	Mon, Mar 5	1:30 PM	Starbuck Community Hall; 25 Main Street, Starbuck
Southwest District - Somerset	Wed, Mar 7	1:30 PM	Somerset Community Hall; 201 1st Street, Somerset
Northwest District - Neepawa	Wed, Mar 7	7:00 PM	Royal Canadian Legion #23; 423 Brown Avenue, Neepawa
H.B. Marketing District - Portage la Prairie	Thurs, Mar 8	2:00 PM	The Glesby Centre; 11 2nd Street, NE, Portage la Prairie
Interlake East District - Oak Hammock Marsh	Fri, Mar 9	1:30 PM	Oak Hammock Marsh; Snowgoose Bay at Highway 220
South Central District - Morris	Wed, Mar 14	1:30 PM	Morris Big M Centre; Stampede Grounds, Morris

**Canadian delivered soymeal prices opened mixed this morning.** Soybean planted acreage was increased by 1 million acres at the USDA Outlook Conference. U.S. soy demand should increase, due to lower South American production. India is getting some troublesome weather and will be looking for edible oil imports.

**Canadian delivered corn prices opened lower this morning.** Corn plantings are looking to increase by an additional 94 million acres for this spring. Combined with the decrease in ethanol use; due to the ethanol credit expiring, has USDA estimated corn prices for 2012/2013 at \$5 per bushel.

	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Fixed Forward Range (Maple Leaf Sig. #3)		153.82	154.89	171.34	170.88	176.25	166.93	161.05	154.23	143.32	145.16
		153.82	164.97	175.47	177.30	177.17	176.58	161.51	161.13	148.38	149.30
(Maple Leaf Sig. #4)		151.79	153.00	167.96	171.16	173.17	166.99	160.40	152.20	143.42	143.42
		153.91	161.52	172.04	174.35	174.06	173.04	164.59	159.32	148.58	148.58
Soymeal Delivered	376	376	381	381	386	386	395				
Corn Delivered	265	265	271	276							

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